



Request for City Council Committee Action from the Department of Civil Rights

Date: March 21, 2012

To: Council Member Don Samuels, Chair – Public Safety, Civil Rights and Health Committee

Subject: 2012 Construction Workforce Goals

Recommendation: The Minneapolis Department of Civil Rights respectfully requests that the City Council approve the 2012 Local Workforce Goals, to become effective May 1, 2012, as follows:

	Minority	Women
Twin Cities Local	32%	6%
7-County Metro Area*	22%	6%

*Information only

Department Information

Prepared by: Velma J. Korbel, Director

Approved by: 

Presenter in Committee: Velma J. Korbel, Director

Financial Impact

- NONE

Supporting Information

Section 139.50 of the Minneapolis Code of Ordinances requires that a city contractor must comply with all provisions of Title 7 of the Minneapolis Code of Ordinances, and with all rules and regulations issued by the director of the MDCR ("director") or the Minneapolis Commission on Civil Rights. Accordingly, competitors on city contracts are notified that their selection as the successful bidder to the city shall be subject to a pre-award compliance review by the Department of Civil Rights which includes the requirement for a written plan to meet *employment participation* for both skilled and unskilled minority trade workers and for women. Employment participation is typically represented as a percentage of hours worked on a contract or project. Since 2006, the required employment

participation on city contracts has been 11% for both skilled and unskilled minority trade workers and 6% for women. Today, the department is requesting that the city council approve an updated goal based on the most recent American Community Survey conducted by the U.S. Census Bureau.

In 2006, the metro municipalities that set goals on contracts used the seven-county Minneapolis-St. Paul Metropolitan Area as the geographic boundary. Today, in recognition for the potentially significant impact this new goal may have in mitigating the chronic disparity between Whites and non-Whites in the Twin Cities, a separate goal has been developed for: (1) Hennepin and Ramsey Counties to include the cities of Minneapolis and St. Paul; and (2) the counties of Anoka, Carver, Dakota, Scott, and Washington.

Goal percentages labeled **Twin Cities local** will be used to set goals on projects funded with City of Minneapolis-assisted dollars. This goal takes into account the significant opportunity to hire affirmatively minorities and women from the local communities *in the cities of Minneapolis and St. Paul, and in Hennepin and Ramsey counties.*

Percentages labeled **7-County Metro Area** will be used to set goals on projects that recognize the opportunity to hire affirmatively minorities and women from the counties of Anoka, Carver, Dakota, Scott and Washington. This goal was calculated using two separate labor recruitment areas: the area that includes Hennepin and Ramsey Counties (Chart A Final Goal) and the area which includes Anoka, Carver, Dakota, Scott and Washington Counties (Chart B Final Goal). The goals for these two areas were weighted differently in consideration of the likelihood that projects built in either area will draw workers from its own geographic area first, and then from the geographic area with the lesser weight, secondarily.

The major benefit of using the Seven County Minneapolis-St. Paul Metro Area as a *boundary in calculated this goal is that it recognizes the regional nature of the construction industry.* The counties that comprise the Seven County Metro Area are Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

2012 Construction Goals - City of Minneapolis

Local						
Area Name: Cities of Minneapolis & St Paul; Hennepin and Ramsey Counties						
	Minorities			Women		
Source of Data	Initial Statistic	Weight Assigned	Weighted Statistic	Initial Statistic	Weight Assigned	Weighted Statistic
Labor Force	31.4	0.06	1.9	49.1	0.06	2.9
Construction Occupations	32.4	0.94	30.5	3.5	0.94	3.3
Sum			32.3			6.2
Final Goal % (Round to whole number)			32			
						6

Chart A

Source of data: Tabulated from the Integrated Public Use Microdata Series, American Community Survey by the MN State Demographic Center [Construction Data, Civilian Labor Force 16+, 2006-2010] The 6% weight applied to the labor force statistic is based on the estimated proportion of apprentices in the construction workforce provided by Minnesota Department of Labor & Industry.

Area Name: 7 County Metropolitan Area for Goal Setting						
	Minorities			Women		
Source of Data	Initial Statistic	Weight Assigned	Weighted Statistic	Initial Statistic	Weight Assigned	Weighted Statistic
Labor Force	18.9	0.06	1.1	48.1	0.06	2.9
Construction Occupations	14.8	0.94	13.9	3.6	0.94	3.4
Sum			15.0			6.3
			15			6

Chart B

Source of data: Tabulated from the Integrated Public Use Microdata Series, American Community Survey by the MN State Demographic Center [Construction Data, Civilian Labor Force 16+, 2006-2010] The 6% weight applied to the labor force statistic is based on the estimated proportion of apprentices in the construction workforce provided by Minnesota Department of Labor & Industry.

Greater Metropolitan Area						
Source of Data	Minorities			Women		
	Initial Statistic	Weight Assigned	Weighted Statistic	Initial Statistic	Weight Assigned	Weighted Statistic
Reasonable Recruitment Area (7 County Metro)	15	0.6	9.0	6	0.6	3.6
Immediate Recruitment Area (Cities of MPLS & St. Paul)	32	0.4	12.8	6	0.4	2.4
Sum			21.8			6.0
Final Goal % (Round to whole number)			22			
						6

Chart C

Source of data: Tabulated from the Integrated Public Use Microdata Series, American Community Survey by the MN State Demographic Center [Construction Data, Civilian Labor Force 16+, 2006-2010] The 6% weight applied to the labor force statistic is based on the estimated proportion of apprentices in the construction workforce provided by Minnesota Department of Labor & Industry.

Explanation and Rationale for Methodology

Using the American Community Survey 2006 - 2010

At the request of Minnesota Department of Human Rights (MDHR), the lead agency on the goals recalculation partnership, the state demographer conducted an analysis of data from the American Community Survey (ACS) 2006-2010. The ACS is an ongoing demographic survey conducted by the U.S. Census Bureau. The ACS was designed to collect the same data on employment, race, disability status and gender (among other topics) that had been previously been collected by the Decennial Census. The ACS is now the only source of Equal Employment Opportunity data produced by the U.S. Census Bureau.

Using Construction Occupation Data:

MDHR determined that the primary source of data for setting construction goals should be the actual participation of women and minorities in all construction trades, based on information from the ACS 2006-2010.

Using Labor Force Data:

MDHR determined that Labor Force data from the ACS should also be included in setting goals. Using construction occupation data alone would tend to freeze the goals for women and minorities to what was in place in the industry five years ago. Using a common sense approach, if the construction industry adds people to its ranks or replaces those who leave the industry, these individuals will likely come from the labor force. The ACS, data for "Total Civilian Labor Force" includes all individuals in the labor force at the time of the census, including people who were unemployed.

Combining the Two Sources of Data:

Once it was determined the factors that would be used in developing new goals, it was necessary to determine how best to combine these statistics. In order to establish a reasonable weight, the calculation utilized data available on construction apprentices in Minnesota gathered by the Minnesota Department of Labor and Industry. Using this data and data from the ACS for all construction occupations in Minnesota, it was estimated that about 6% of the construction workforce consists of apprentices. Given that apprentices themselves likely come from the labor force, it seemed reasonable to use 6% as the assigned weight.

Rounding the Final Percentage to a Whole Number:

In prior goal setting, agencies had used decimals to express the final goal. Rather than continue this false precision, MDHR determined that the final goal percentages should be expressed as a whole number, and were rounded off accordingly. (Using decimals to the tenth place in the source statistics avoided any possible inflationary effects of rounding multiple times.)